



## DEPARTMENT OF COMMERCE

### Foreign-Trade Zones Board Docket 11-2012

#### Foreign-Trade Zone 104 — Savannah, Georgia Expansion of Manufacturing Authority Mitsubishi Power Systems Americas, Inc. (Power Generation Turbines) Pooler, Georgia

An application has been submitted to the Foreign-Trade Zones Board (the Board) by the Savannah Airport Commission, grantee of FTZ 104, requesting an expansion of the scope of manufacturing authority approved within Site 12 of FTZ 104, on behalf of Mitsubishi Power Systems Americas, Inc. (MPSA), in Pooler, Georgia. The application was submitted pursuant to the provisions of the Foreign-Trade Zones Act, as amended (19 U.S.C. 81a-81u), and the regulations of the Board (15 CFR part 400). It was formally filed on February 23, 2012.

The MPSA facility (“Savannah Machinery Works,” 175 employees, 119 acres) is located at 1000 Pine Meadow Drive within the Pooler Megasite (Site 12) in Pooler (Chatham County), Georgia. In 2011, the FTZ Board approved a request submitted by the Savannah Airport Commission on behalf of MPSA for authority to manufacture and repair steam and natural gas power generation turbine components (combustor baskets, transition pieces, and rotors) for export and the domestic market (Board Order 1757, 76 FR 28418, 5-17-2011).

The current application involves an expansion of MPSA’s existing scope of manufacturing authority to include additional finished products—steam and natural gas power generation turbines (up to 24 turbines per year). New components and materials sourced from abroad (representing

40% of the value of the finished turbines) include: rubber o-rings and seals, articles of steel (plates, flanges, expansion joints, covers), fasteners, compressors, bearing housings, metal gaskets, mechanical seals and rings, actuators, thermocouple assemblies, vibration sensors, and automated controllers (duty rate ranges from free to 6.2%).

FTZ procedures could exempt MPSA from customs duty payments on the additional foreign components used in export production. The company anticipates that up to 15 percent of the plant's turbine production will be exported. On its domestic sales, MPSA would be able to choose the duty rates during customs entry procedures that apply to steam and gas power generation turbines (duty rates: 2.5, 6.7%) for the additional foreign inputs noted above. The request indicates that the savings from FTZ procedures help improve the plant's international competitiveness.

In accordance with the Board's regulations, Pierre Duy of the FTZ Staff is designated examiner to evaluate and analyze the facts and information presented in the application and case record and to report findings and recommendations to the Board.

Public comment is invited from interested parties. Submissions (original and 3 copies) shall be addressed to the Board's Executive Secretary at the following address: Office of the Executive Secretary, Room 2111, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230-0002. The closing period for receipt of comments is *[insert 60 days from date of publication]*. Rebuttal comments in response to material submitted during the foregoing period may be submitted during the subsequent 15-day period to May 16, 2012.

A copy of the application will be available for public inspection at the Office of the Foreign-Trade Zones Board's Executive Secretary at the address listed above and in the "Reading Room" section of the Board's website, which is accessible via [www.trade.gov/ftz](http://www.trade.gov/ftz). For further information, contact Pierre Duy at [Pierre.Duy@trade.gov](mailto:Pierre.Duy@trade.gov) or (202) 482-1378.

Dated: February 23, 2012

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Andrew McGilvray  
Executive Secretary